

STATE OF MICHIGAN  
COURT OF APPEALS

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STEVE FAGIN,

Plaintiff-Appellant,

v

DETROIT REGIONAL  
CHAMBER OF COMMERCE,

Defendant-Appellee.

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UNPUBLISHED

February 4, 2003

No. 234631

Wayne Circuit Court

LC No. 00-028864-CL

Before: Cooper, P.J., and Bandstra and Talbot, JJ.

PER CURIAM.

Plaintiff appeals as of right from a circuit court order granting defendant's motion for summary disposition. We affirm. This appeal is being decided without oral argument pursuant to MCR 7.214(E).

When plaintiff was hired by defendant, he signed an employment agreement which contained a one-year limitations period for suits relating to his employment or termination thereof. Plaintiff filed suit more than one year after defendant terminated his employment. The trial court dismissed the complaint, finding that the one-year limitations period was reasonable and barred the action. The trial court's ruling on a motion for summary disposition is reviewed de novo. *Kefgen v Davidson*, 241 Mich App 611, 616; 617 NW2d 351 (2000).

"Absent any statute to the contrary, the general rule followed by most courts has been to uphold provisions in private contracts limiting the time to bring suit where the limitation is reasonable, even though the period specified is less than the applicable statute of limitations." *Camelot Excavating Co, Inc v St Paul Fire & Marine Ins Co*, 410 Mich 118, 126; 301 NW2d 275 (1981). In a civil rights case, the plaintiff's waiver of the statutory limitations period must be knowing, intelligent and voluntary. *Bobo v Thorn Apple Valley, Inc*, 459 Mich 892; 587 NW2d 501 (1998).

Employment contracts are not always bargained at arm's length and the employee often only has two choices: sign the contract as written or not take the job. That does not necessarily make the contract one of adhesion, but does subject it to "close judicial scrutiny." *Herweyer v Clark Highway Services, Inc*, 455 Mich 14, 21; 564 NW2d 857 (1997). Plaintiff admittedly signed the agreement. In doing so, he attested that he had read and understood its contents, although he testified that he had not read it completely and thus was unaware of the limitations

provision. There is no indication that defendant misrepresented the contents of the agreement or deprived plaintiff of an opportunity to read it. The law is clear that one who signs a written agreement is presumed to know the nature of the document and to understand its contents, and thus absent fraud, duress or lack of capacity, a party's signature to a document containing a limitation on legal remedies is binding even if the party has not read the agreement or the limitation has not been pointed out to him. *Watts v Polaczyk*, 242 Mich App 600, 604; 619 NW2d 714 (2000); *Paterek v 6600 Ltd*, 186 Mich App 445, 449-450; 465 NW2d 342 (1990). Therefore, the trial court did not err in finding that plaintiff was bound by the agreement.

A contractual limitation period shorter than the statutory period will be upheld if it is reasonable. *Camelot, supra* at 126. A limitation period is reasonable if "(1) the claimant has sufficient opportunity to investigate and file an action, (2) the time is not so short as to work a practical abrogation of the right of action, and (3) the action is not barred before the loss or damage can be ascertained." *Herweyer, supra* at 20. Inasmuch as this Court has upheld as reasonable a contractual limitations period of 180 days in a civil rights case, *Timko v Oakwood Custom Coating, Inc*, 244 Mich App 234, 242-244; 625 NW2d 101 (2001), we find no error in the trial court's conclusion that the one-year period in plaintiff's contract was reasonable.

Affirmed.

/s/ Jessica R. Cooper  
/s/ Richard A. Bandstra  
/s/ Michael J. Talbot